

## WRITTEN TESTIMONY HB 67680 AND SB 4

My name is Nicolas Furlotte. I am a long-time resident of Groton and the owner-operator of three Connecticut mobile home parks with a total of more than 350 sites serving more than 500 residents. I urge you to oppose HB 6780 as well as SB 4. The implications and unintended consequences of these proposals have not been carefully considered nor well thought through. These proposals simply are knee-jerk reactions to some noisy, so-called activists, that, if approved, will prove counter-productive and harmful to both mobile home park residents and owners.

Mobile home parks are some of the biggest affordable housing providers in the state. Why would we want to do anything that creates a dis-incentive for affordable housing, which is what these proposals would do in the real world?

There is no economic justification for any kind of rent cap or rent control. If you want to help tenants, then help them directly either with subsidies or by rebating the equivalent of the property taxes they pay on their mobile homes. Don't try to force property owners to subsidize tenants or fulfill what is rightly the state's responsibility.

Why is there any serious consideration given to a bill that would cap rent increases at 2.5% when we've just all experienced a year when the official rate of inflation was 8.6%? Park owners are subject to the same inflationary forces as everyone else. When the price of eggs goes up do you pass a law limiting how much grocery stores can charge? When heating oil prices go up do you pass a law limiting how much home heating oil companies can charge? Of course not: You subsidize the most-needy consumers directly – why is it different when it comes to rent? And why are mobile home parks targeted in this proposed legislation – we are less than 1% of all the housing in the state and our rents are generally less than \$500/month. Where can you live as well as you can in a mobile home park for less than \$500/month? (Statewide, rents increased 12% last year; the increase was only 5% in the parks.)

Last year, at one of our properties, we re-paved half the park at a cost of \$370,000 (we re-paved the other half a few years ago). At the same time, we plan to install engineered septic systems throughout one of our parks at a cost of \$3,000,000 in today's dollars. If any kind of rent cap is put in place, it will simply be impossible to do this kind of capital improvement going forward. And then where are we? Will that really benefit tenants?

As for evictions, a proposed moratorium for the winter months will only be gamed by unscrupulous tenants. We have very few evictions and they are only for non-payment or creating a serious nuisance. No one wants an eviction – they are costly and time-consuming – but sometimes they are necessary, no matter the season. And let's recognize the obvious: whenever a tenant vacates, either voluntarily or via eviction, there are other, well-qualified people who need a place to live and are eager to move in. If rents were too high or property conditions too low, there wouldn't be other potential tenants ready to move in.

This proposed bill may be well-intended, but it will quickly prove counterproductive in the real world. Instead of more legislation, why don't you instead take a victory lap? You just recently passed legislation requiring virtually every town in the state to establish a "fair rent" commission. Why don't we wait to see how that goes – evaluate its effectiveness – before jumping off the rent control cliff with additional and unnecessary legislation.

Thank you for your time and consideration.